



# 2016 TDI COMPLIANCE CONFERENCE

MAY 20, 2016  AUSTIN, TEXAS

**Is the Customer Always Right?**  
**How Successful Companies Minimize Complaints**  
**Complaints Process and Case Studies**

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Texas Department of Insurance

# What is an Insurance Complaint?

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Any written communication  
primarily expressing a grievance.

Texas Insurance Code §542.005(a)



# Who Are Our Customers?

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- ★ Individuals
- ★ Businesses
- ★ Health Care Providers
- ★ Insurance Agents and Carriers
- ★ Attorneys
- ★ State and Federal Agencies
- ★ Legislators



# By the Numbers

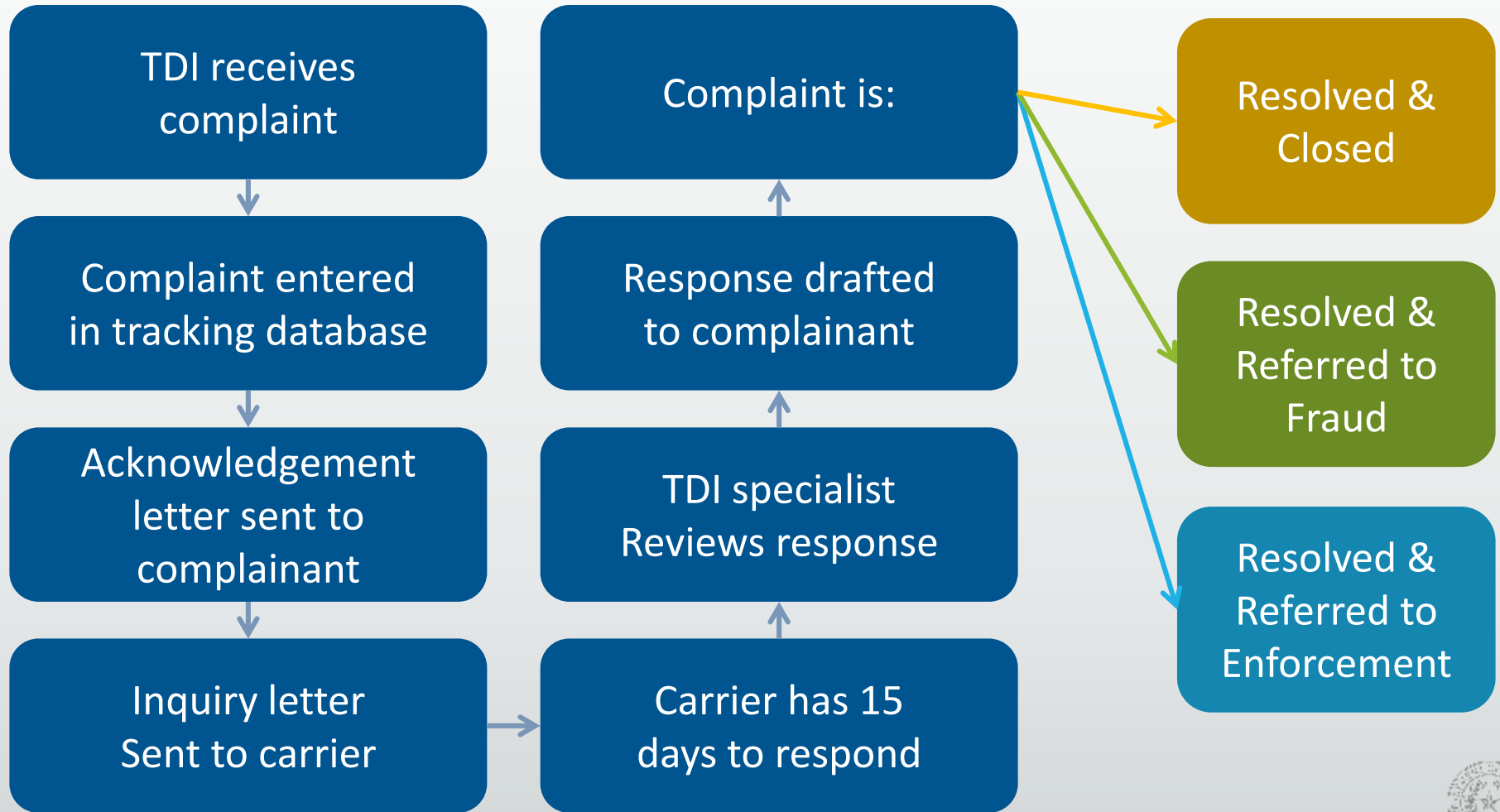
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## In FY 2015, Consumer Protection...

- ★ Answered 149,600 calls, 91% of calls received.
- ★ Resolved 19,425 complaints.
- ★ Returned over \$37.6 million to consumers through the complaint process.
- ★ Resolved complaints in an average of 76 days.



# TDI Complaint Process



# What is a Confirmed Complaint?

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- ★ TIC requires TDI to code complaints as confirmed or not confirmed.
- ★ An apparent violation of a policy provision, contract provision, rule, or statute.
- ★ A valid concern that a prudent layperson would regard as a practice or service that is below customary business or medical practice.



# Confirmed Complaints Examples

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- ★ Denied claim should have been paid.
- ★ Claim not paid timely or according to statute.
- ★ Penalty not paid for late or incorrect claim.
- ★ Policy not cancelled according to contract provisions, rules, or statutes.
- ★ Complaint and appeal or utilization review timelines were not followed.
- ★ Untimely responses to TDI.



# Complaint Data Uses

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- ★ Meetings with carriers
- ★ Frequent requests for complaint data
- ★ Shopping resources for consumers
  - Complaint information portal
  - Online company profiles
  - Internet complaint information system





# Case Studies

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- ★ Auto complaint
- ★ Health insurance complaint – affected one consumer
- ★ Health insurance complaint – affected multiple consumers
- ★ Homeowners complaint



# How Can You Avoid Complaints?

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- ★ Ensure customer service and claims staff are well trained and communicate effectively.
- ★ Maintain adequate staff to respond to customers.
- ★ Monitor call times.
- ★ Timely claim payments and complaint response.

